

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington D.C. 20554

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OFFICE OF THE SECRETARY

In the Matter of)
)
Local Exchange Carriers') CC Docket No. 93-162
Rates, Terms, and Conditions)
for Expanded Interconnection)
Through Physical Collocation)
for Special Access and Switched Transport)

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**SOUTHWESTERN BELL TELEPHONE COMPANY'S
REFUND PLAN**

Southwestern Bell Telephone Company ("SWBT") files this Refund Plan as required by the Second Report and Order ("Order"), FCC 97-208, released June 13, 1997, in this proceeding.

The SWBT functions and associated rate elements affected by the disallowance determination are as follows:

Function	Rate Elements
DS1 POT Bay	POT Frame - NRC POT Frame - MRC DS1 Interconnection Arrangement - NRC DS1 Interconnection Arrangement - MRC
DS3 POT Bay	POT Frame - NRC POT Frame - MRC DS3 Interconnection Arrangement - NRC DS3 Interconnection Arrangement - MRC
Security Installation	Medium Size - CO
Entrance Facility Installation	Design Engineering TAC - Large Cable Pull Conduit

As a threshold matter, the disallowance must be reflected on a function basis and not

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per- element as displayed in Appendix C of the Order. Recalculation by function is necessary to maintain consistency with the rate elements filed. For example, the exhibits reflect different adjustments for a POT Frame used for DS1 versus DS3 Interconnection Arrangements. However, SWBT filed a single POT frame element that applies to either DS1 or DS3 service.

In the case of DS1/DS3 POT Frame, SWBT does not have a refund liability as the elements were not provided to any person or entity. Those purchasing physical collocation from SWBT provided their own POT Frames and, therefore, did not use any SWBT-provided POT Frame or DS1/DS3 Interconnection Arrangement. Since a refund liability does not exist and no units were provided, revised Tariff Review Plan ("TRP") sheets are not required.

SWBT does not have a refund liability for Security Installation. The Security Installation element was filed as a nonrecurring charge only. In light of Bell Atlantic and SWBT's announced withdrawal of its physical collocation tariffs, no physical collocation arrangements were ordered after December 14, 1994. Since any Security Installation would have been provided or ordered prior to December 14, 1994, a refund liability does not exist and, likewise, revised TRP sheets are not required.

SWBT has also determined a refund liability does not exist for the Entrance Facility Installation function. The analysis contained in Appendix C included the Tenant Accommodation Charge (TAC) for a large central office in its analysis. The TAC charge is the only element that may vary from central office to central office (e.g., the conduit rate is the same irrespective of office size). Thus it is appropriate to adjust the TAC charge by the entire function disallowance. Since the TAC charge is a nonrecurring charge and would not have been applied after December 14, 1994, SWBT does not have a refund liability.

The Order also requires SWBT to adjust rates based upon disallowance

associated with the Cost of Money (COM) factor used in SWBT's cost studies. This section describes the development of revised rate levels and the determination of the refund liability associated with COM adjustments.

The COM adjustments are applicable to the following rate elements:

- Conduit
- 40 AMP DC Transmission Power
- 100 AMP DC Transmission Power
- DS1 Cross Connects

- DS3 Cross Connects

The first step of the process is the identification of the COM amount currently reflected in each rate element. The COM amount included in each rate element was determined based upon the support material previously filed for each affected rate element. This material is included as Appendix A.

As detailed in Figure 1, SWBT simply weighted the State-specific COM cost component by the State-specific demand used to establish the original rate. Figure 2 details the development of revised rates based upon the COM adjustments.

Line 1 lists the total Incremental Unit Cost (IUC) used in the original rate development process. Line 2 is the Cost of Money, developed on Figure 1, included in the total IUC. Line 3 reflects the removal of the COM component (Line 2) from the total original IUC.

Lines 4 through 8 detail the identification of the revised IUC based upon Commission's COM disallowance. An adjustment factor was developed based upon the relationship between the COM factor used by SWBT and the COM factor prescribed by the Order. The adjustment factor was applied to the COM amount identified on Line 2 and the resulting adjusted COM was added to the cost identified on Line 3 to determine the adjusted total cost on Line 8.

Next, Lines 9 through 11 replicate the rate development process used by SWBT. The filed overhead loading factor was applied to the adjusted total cost. In the case of

DC Transmission Power rate elements, the estimated costs for commercial power were added as the initial rate development process did not apply the overhead loading to this expense; the same process is used here. The revised original rate on Line 11 reflects rates based upon the Commission-prescribed COM amount.

The Rate Adjustment Factor ("RAF") prescribed in the Commission's November 1993 Order was applied to the revised rate to identify the rate that was charged or should have been charged based upon the Commission's overhead loading adjustments. Finally, Line 15 reflects the per-unit refund amount based upon the rate developed on Line 13 and the rate billed on Line 14.

The per-unit refund for the 40 AMP DC Transmission Power rate element is a negative value as SWBT has discovered an error in the rate development process implementing the November 1993 Order. Attached as Appendix B is the support material filed with Transmittal No. 2285 on July 14, 1993, as well as the worksheet included with Transmittal No. 2304 filed on November 12, 1993, in compliance with the November 1993 Order.

As illustrated on Figure 2.4-1 of Transmittal No. 2285, SWBT emulated the interim adjustments contained in the Common Carrier Bureau's June 1993 Order. Lines 7 through 9 detail the development of the baseline rate, the RAF of the June 1993 Order, and the resulting adjusted rate. The second sheet of Appendix B is the worksheet implementing the November 1993 Order. As illustrated, the RAF specified in the November 1993 Order was applied to the original proposed rate except the 40 AMP DC Transmission Power element. As shown, the RAF of the November 1993 Order was applied to the rate level developed on Line 9 rather than the Baseline rate developed on Line 7. As a result, the rate on Line 14 of Figure 2 reflects both the June 1993 interim RAF as well as the November 1993 RAF, thus understating the appropriate rate level per Commission order.

Figure 3 contains a summary, by interconnector, of SWBT's refund obligations with interest. In some cases, the refund liability has been offset by the miscalculation associated with the 40 AMP DC Transmission Power rate element. Although SWBT does not currently plan to backbill for this miscalculation, it is appropriate to offset associated amount against the refund obligation. In those cases where a refund is due, SWBT will implement the refund via bill credits.

Worksheets supporting the development of the refund liability are included in Appendix C. These data simply reflect the number of units by customer by Billing Account Number (BAN) by month. The number of units was multiplied by the per-unit refund amount detailed on Figure 2. The customer name and BAN have been redacted to protect customer proprietary information.

Appendix C also contains the development of the interest percentage applied to each month's refund amount. The simple interest factor, for each month, was developed by summing the monthly Internal Revenue Service interest rate for each month of the refund period.

This Refund Plan and associated material are filed, under protest, in compliance with the Order, and without waiving or otherwise prejudicing SWBT's right of appeal from the Order or any associated Commission rule, order, or action. Further, the cost information used to calculate rates and refunds does not reflect SWBT's cost of providing physical collocation, but instead reflects in whole or in part derived costs calculated in accordance with the Order.

Respectfully submitted,
SOUTHWESTERN BELL TELEPHONE COMPANY

By: 
Robert M. Lynch
Durward D. Dupre

Michael J. Zpevak
Darryl W. Howard

One Bell Center, Room 3524
St. Louis, Missouri 63101
(314) 235-2513
Its Attorneys

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These following Figures and Appendices are filed, under protest, in compliance with the Second Report and Order ("Order"), FCC 97-208 (released June 13, 1997) in *Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection Through Physical Collocation for Special Access and Switched Transport*, CC Docket No. 93-162, and without waiving or otherwise prejudicing Southwestern Bell Telephone Company's ("SWBT's") right of appeal from the Order, or any associated Commission rule, order, or action. Further, the cost information used to calculate rates and refunds does not reflect SWBT's cost of providing physical collocation, but instead reflects in whole or in part derived costs calculated in accordance with the Order.

Figure 1

WEIGHTED CURRENT COST OF MONEY

	COM	CONDUIT DMD	TOTAL	SWB
AR	0.47	7	3.29	
KS	1.34	19	25.46	
MO	0.64	42	26.88	
OK	0.53	14	7.42	
TX	0.68	108	73.44	
		190	136.49	0.05986404

	COM	DS1 CROSS CONNECT DMD	TOTAL	SWB
AR	10.63	891	9471.33	
KS	10.66	1636	17439.76	
MO	9.31	5167	48104.77	
OK	11.07	1417	15686.19	
TX	11.13	13457	149776.41	
		22568	240478.46	0.8879773

	COM	DS3 CROSS CONNECT DMD	TOTAL	SWB
AR	108.04	47	5077.88	
KS	108.19	88	9520.72	
MO	89.83	642	57670.86	
OK	111.15	113	12559.95	
TX	113.15	1984	224489.6	
		2874	309319.01	8.96888802

	COM	DC TRANSMISSION - 40 AMP DMD	TOTAL	SWB
AR	448.8	7	3141.6	
KS	447.96	19	8511.24	
MO	453.96	42	19066.32	
OK	455.645	14	6379.03	
TX	453.12	108	48936.96	
		190	86035.15	37.7347149

	COM	DC TRANSMISSION - 100 AMP DMD	TOTAL	SWB
AR	1142.53	7	7997.71	
KS	1145.34	19	21761.46	
MO	1150.48	42	48320.16	
OK	1131.76	14	15844.64	
TX	1152.15	108	124432.2	
		190	218356.17	95.77025

COST OF MONEY RATE ADJUSTMENTS

	CONDUIT	CROSS CONNECT DS1	DS3	DC TRANS. POWER 40 AMPS	100 AMPS
1. ORIG. TOTAL COST	\$0.131	\$3.198	\$31.936	\$140.086	\$355.86
2. COST OF MONEY (COM)	\$0.060	\$0.888	\$8.969	\$37.735	\$95.77
3. TOTAL COST LESS COM	0.071136	2.310023	22.967112	102.351285	260.084750
4. ORIG. COM %	12.32%	12.32%	12.32%	12.32%	12.32%
5. REVISED COM %	11.25%	11.25%	11.25%	11.25%	11.25%
6. COM ADJ. FACTOR	0.913149	0.913149	0.913149	0.913149	0.913149
7. REVISED COM	\$0.055	\$0.811	\$8.190	\$34.457	\$87.453
8. ADJUSTED TOTAL COST	\$0.126	\$3.121	\$31.157	\$136.809	\$347.537
9. OVERHEAD LOADING	2.457999	2.256262	3.533213	2.457999	2.457999
10. COMMERCIAL POWER	NA	NA	NA	\$85.06	\$212.66
11. REVISED ORIGINAL RATE	\$0.31	\$7.04	\$110.08	\$421.34	\$1,066.91
12. NOVEMBERF 1993 FCC RAF	46.77%	64.24%	41.06%	94.68%	68.38%
13. REVISED RATE	\$0.14	\$4.52	\$45.20	\$398.92	\$729.55
14. BILLED RATE	\$0.15	\$4.64	\$46.33	\$294.49	\$743.53
15. PER UNIT REFUND	\$0.01	\$0.12	\$1.13	(\$104.43)	\$13.98

Figure 3

NAME	DESCRIPTION	TOTAL UNITS	TOTAL REFUND
	DS1 X-CONN	0	\$0.00
	DS3 X-CONN	10	(\$1,235.76)
	40 AMP TRANS. PWR	10	(\$1,235.76)
	CONDUIT	10	(\$1,235.76)
	DS1 X-CONN	10	(\$1,235.76)
	TOTAL		(\$4,943.04)
	40 AMP TRANS. PWR	10	(\$1,235.76)
	CONDUIT	10	(\$1,235.76)
	CONDUIT	10	(\$1,235.76)
	40 AMP TRANS. PWR	2	(\$248.54)
	CONDUIT	0	\$0.00
	40 AMP TRANS. PWR	23,015	(\$8,898.86)
	CONDUIT	0	\$0.00
	40 AMP TRANS. PWR	0	\$0.00
	CONDUIT	5	\$83.88
	40 AMP TRANS. PWR	7	\$116.78
	DS1 X-CONN	7	\$116.78
	DS1 X-CONN	2	\$33.27
	DS1 X-CONN	2	\$33.27
	DS1 X-CONN	7	\$116.78
	DS1 X-CONN	1	\$16.59
	DS1 X-CONN	5	\$83.51
	DS3 X-CONN	0	\$0.00
	DS3 X-CONN	36	\$600.86
	DS3 X-CONN	0	\$0.00
	40 AMP TRANS. PWR	0	\$0.00
	CONDUIT	34	\$4.78
	DS1 X-CONN	9	\$1.30
	DS1 X-CONN	7	\$0.99
	DS1 X-CONN	481	\$68.25
	DS1 X-CONN	22	\$3.09
	DS3 X-CONN	291	\$41.18
	DS1 X-CONN	7	\$0.98
	DS3 X-CONN	43	\$6.14
	TOTAL		(\$11,526.25)
	100 AMP TRANS. PWR	616	\$87.33
	40 AMP TRANS. PWR	61	\$6.54
	CONDUIT	71	\$10.09
	DS1 X-CONN	22	\$3.20
	DS1 X-CONN	84	\$11.99
	TOTAL		\$121.15
	DS1 X-CONN	10	\$1.41
	100 AMP TRANS. PWR	1	\$0.15
	CONDUIT	151	\$21.61
	100 AMP TRANS. PWR	5	\$0.70
	CONDUIT	0	\$0.00
	100 AMP TRANS. PWR	1,915	\$271.73
	CONDUIT	0	\$0.00
	100 AMP TRANS. PWR	0	\$0.00
	100 AMP TRANS. PWR	6	\$7.95
	100 AMP TRANS. PWR	13	\$17.31
	100 AMP TRANS. PWR	30	\$40.12
	CONDUIT	68	\$90.96
	CONDUIT	8	\$10.64
	TOTAL		\$461.17
	DS1 X-CONN	10	\$13.31
	DS3 X-CONN	10	\$13.37
	DS3 X-CONN	9	\$12.00
	DS3 X-CONN	3	\$3.93
	TOTAL		\$42.61
	GRAND TOTAL		\$505.19

**INCREMENTAL COST DETAIL
CONDUIT**

DESCRIPTION	ARKANSAS	KANSAS	MISSOURI	OKLAHOMA	TEXAS
INVESTMENT	\$6.048	\$17.071	\$8.034	\$6.720	\$8.444
DEPRECIATION	\$0.12	\$0.30	\$0.14	\$0.12	\$0.15
COST OF MONEY	\$0.47	\$1.34	\$0.64	\$0.53	\$0.68
INCOME TAXES	\$0.20	\$0.58	\$0.25	\$0.22	\$0.24
TOTAL CAPITAL COSTS	\$0.79	\$2.23	\$1.03	\$0.88	\$1.07
MAINTENANCE	\$0.01	\$0.05	\$0.02	\$0.03	\$0.02
ADMINISTRATIVE	\$0.15	\$0.49	\$0.28	\$0.18	\$0.23
MISC. TAXES	\$0.03	\$0.37	\$0.07	\$0.08	\$0.10
TOTAL EXPENSES	\$0.19	\$0.91	\$0.36	\$0.29	\$0.34
TOTAL UNIT COST	\$0.98	\$3.13	\$1.40	\$1.16	\$1.41
MONTHLY UNIT COST	\$0.08	\$0.26	\$0.12	\$0.10	\$0.12

APPENDIX A

DEVELOPMENT OF CONDUIT MONTHLY RECURRING CHARGES

STATE	MONTHLY COST	NO. REQUESTS	TOTAL NO. COST	MONTHLY UNIT COST	LOADING FACTOR	PROPOSED RATE
ARKANSAS	\$0.080	7	\$0.560			
KANSAS	\$0.260	19	\$4.940			
MISSOURI	\$0.120	42	\$5.040			
OKLAHOMA	\$0.100	14	\$1.400			
TEXAS	\$0.120	108	\$12.960			
SUB		190	\$24.900	\$0.131	2.457999	\$0.32

INCREMENTAL COST DETAIL
DC TRANSMISSION POWER - 40 AMPS

DESCRIPTION	ARKANSAS	KANSAS	MISSOURI	OKLAHOMA	TEXAS
INVESTMENT	\$78,070.40	\$78,070.40	\$78,070.40	\$78,070.40	\$78,070.40
DEPRECIATION	\$637.44	\$624.84	\$527.64	\$667.56	\$559.68
COST OF MONEY	\$448.80	\$447.96	\$453.96	\$455.64	\$453.12
INCOME TAXES	\$191.88	\$194.76	\$200.76	\$196.92	\$162.84
TOTAL CAPITAL COSTS	\$1,278.12	\$1,267.56	\$1,182.36	\$1,320.12	\$1,175.64
MAINTENANCE	\$104.04	\$93.36	\$105.24	\$90.24	\$84.12
ADMINISTRATIVE	\$293.28	\$309.12	\$405.36	\$291.60	\$275.64
MISC. TAXES	\$44.88	\$141.60	\$60.36	\$89.88	\$77.64
TOTAL EXPENSES	\$442.20	\$544.08	\$570.96	\$471.72	\$437.40
TOTAL UNIT COST	\$1,720.32	\$1,811.64	\$1,753.32	\$1,791.84	\$1,613.04
MONTHLY UNIT COST	\$143.36	\$150.97	\$146.11	\$149.32	\$134.42

APPENDIX A

2-3-59
2.3.2.1

40 AMP DC TRANSMISSION POWER RECURRING RATE DEVELOPMENT

STATE	NO. REQUESTS	PWR. EQPT. NO. COST	TOTAL EQPT. PWR COSTS	WEIGHTED COST	LOADING FACTOR	EQPT PWR COMPONENT	ADD'L COMM. PWR.	TOTAL ADD'L COMM. PWR.	WEIGHTED COST	TOTAL COST	PROPOSED RATE
ARKANSAS	7	\$143.36	\$1,004				\$111.93	\$784			
KANSAS	19	\$150.97	\$2,868				\$97.33	\$1,849			
MISSOURI	42	\$146.11	\$6,137				\$81.11	\$3,407			
OKLAHOMA	14	\$149.32	\$2,090				\$97.33	\$1,363			
TEXAS	108	\$134.42	\$14,517				\$81.11	\$8,760			
SUB	190		\$26,616	\$140.086	2.457999	\$344.332		\$16,162	\$85.063	\$429.395	\$429.39

APPENDIX A

FIGURE
C.3.2-2

INCREMENTAL COST DETAIL
DC POWER

DESCRIPTION	ARKANSAS	KANSAS	MISSOURI	OKLAHOMA	TEXAS
INVESTMENT	\$195,176.00	\$195,176.00	\$195,176.00	\$195,176.00	\$195,176.00
DEPRECIATION	\$1,622.54	\$1,597.64	\$1,336.97	\$1,658.27	\$1,423.15
COST OF MONEY	\$1,142.53	\$1,145.34	\$1,150.48	\$1,131.76	\$1,152.15
INCOME TAXES	\$488.47	\$497.86	\$508.86	\$489.11	\$414.18
TOTAL CAPITAL COSTS	\$3,253.54	\$3,240.84	\$2,996.31	\$3,279.14	\$2,989.48
MAINTENANCE	\$265.43	\$238.87	\$267.97	\$226.46	\$214.45
ADMINISTRATIVE	\$748.49	\$790.82	\$1,032.36	\$731.43	\$702.45
MISC. TAXES	\$114.38	\$362.32	\$153.57	\$225.37	\$197.98
TOTAL EXPENSES	\$1,128.30	\$1,392.01	\$1,453.90	\$1,183.26	\$1,114.88
TOTAL UNIT COST	\$4,381.84	\$4,632.85	\$4,450.21	\$4,462.40	\$4,104.36
MONTHLY UNIT COST	\$365.15	\$386.07	\$370.85	\$371.87	\$342.03

APPENDIX A

DC TRANSMISSION POWER RECURRING RATE DEVELOPMENT

STATE	NO. REQUESTS	PWR. EQPT. NO. COST	TOTAL EQPT. PWR COSTS	WEIGHTED COST	LOADING FACTOR	EQPT PWR COMPONENT	ADD'L COMM. PWR.	TOTAL ADD'L COMM. PWR.	WEIGHTED COST	TOTAL COST	PROPOSED RATE
ARKANSAS	7	\$365.15	\$2,556				\$279.83	\$1,959			
KANSAS	19	\$386.07	\$7,335				\$243.33	\$4,623			
MISSOURI	42	\$370.85	\$15,576				\$202.78	\$8,517			
OKLAHOMA	14	\$371.87	\$5,206				\$243.33	\$3,407			
TEXAS	108	\$342.03	\$36,939				\$202.78	\$21,900			
SUB	190		\$67,613	\$355.855	2.457999	\$874.692		\$40,406	\$212.662	\$1,087.354	\$1,087.35

APPENDIX A

FIGURE 4.5.10-1

INCREMENTAL COST DETAIL
DS1 INTERCONNECT

DESCRIPTION	ARKANSAS	KANSAS	MISSOURI	OKLAHOMA	TEXAS
INVESTMENT	\$155.00	\$153.37	\$135.58	\$160.31	\$160.51
DEPRECIATION	\$13.90	\$13.61	\$10.07	\$14.50	\$12.63
COST OF MONEY	\$10.63	\$10.66	\$9.31	\$11.07	\$11.13
INCOME TAXES	\$4.54	\$4.63	\$4.12	\$4.78	\$4.00
TOTAL CAPITAL COSTS	\$29.07	\$28.90	\$23.50	\$30.35	\$27.76
MAINTENANCE	\$2.35	\$2.14	\$2.09	\$2.02	\$1.93
ADMINISTRATIVE	\$7.19	\$7.79	\$8.63	\$7.40	\$6.89
MISC. TAXES	\$1.09	\$3.53	\$1.29	\$2.24	\$1.94
TOTAL EXPENSES	\$10.63	\$13.46	\$12.01	\$11.66	\$10.76
TOTAL UNIT COST	\$39.70	\$42.36	\$35.51	\$42.01	\$38.52
MONTHLY UNIT COST	\$3.31	\$3.53	\$2.96	\$3.50	\$3.21

APPENDIX A

DS1 INTERCONNECTION RECURRING RATE DEVELOPMENT

STATE	MONTHLY COST	DS1 QUANTITY	TOTAL MO. COST	MONTHLY UNIT COST	LOADING FACTOR	PROPOSED RATE
ARKANSAS	\$3.31	891	\$2,949.210			
KANSAS	\$3.53	1636	\$5,775.080			
MISSOURI	\$2.96	5167	\$15,294.320			
OKLAHOMA	\$3.50	1417	\$4,959.500			
TEXAS	\$3.21	13457	\$43,196.970			
SWB		22568	\$72,175.080	\$3.198	2.256262	\$7.22

APPENDIX A

FIGURE 4.5.11-3

INCREMENTAL COST DETAIL
DS3 INTERCONNECT

DESCRIPTION	ARKANSAS	KANSAS	MISSOURI	OKLAHOMA	TEXAS
INVESTMENT	\$1,575.83	\$1,556.21	\$1,307.90	\$1,609.34	\$1,632.41
DEPRECIATION	\$141.33	\$138.12	\$97.08	\$145.57	\$128.48
COST OF MONEY	\$108.04	\$108.19	\$89.83	\$111.15	\$113.15
INCOME TAXES	\$46.15	\$46.94	\$39.75	\$47.95	\$40.65
TOTAL CAPITAL COSTS	\$295.52	\$293.25	\$226.66	\$304.67	\$282.28
MAINTENANCE	\$23.85	\$21.71	\$20.15	\$20.30	\$19.64
ADMINISTRATIVE	\$73.09	\$79.01	\$83.25	\$74.29	\$70.05
MISC. TAXES	\$11.09	\$35.80	\$12.40	\$22.51	\$19.70
TOTAL EXPENSES	\$108.03	\$136.52	\$115.80	\$117.10	\$109.39
TOTAL UNIT COST	\$403.55	\$429.77	\$342.46	\$421.77	\$391.67
MONTHLY UNIT COST	\$33.63	\$35.81	\$28.54	\$35.15	\$32.64

APPENDIX A

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DS3 INTERCONNECTION RECURRING RATE DEVELOPMENT

STATE	MONTHLY COST	DS3 QUANTITY	TOTAL MO. COST	MONTHLY UNIT COST	LOADING FACTOR	PROPOSED RATE
ARKANSAS	\$33.63	47	\$1,580.610			
KANSAS	\$35.81	88	\$3,151.280			
MISSOURI	\$28.54	642	\$18,322.680			
OKLAHOMA	\$35.15	113	\$3,971.950			
TEXAS	\$32.64	1984	\$64,757.760			
SWB		2874	\$91,784.280	\$31.936	3.533213	\$112.84

APPENDIX B

40 AMP DC POWER RATE PRESCRIPTION DEVELOPMENT

LINE ----	DESCRIPTION -----	SOURCE -----	VALUE -----
1	SWBT 100 AMP DC POWER DIRECT COST	JUNE 9, 1993 ORDER APPENDIX C	\$568.52
2	FCC 100 AMP DC POWER DIRECT COST	JUNE 9, 1993 ORDER APPENDIX C	\$485.89
3	FCC DIRECT COST ADJUSTMENT FACTOR	LN1/LN2	0.854658
4	SWBT 40 AMP DC POWER DIRECT COST	FIGURE WEIGHTED COST + ADD'L COMM. PWR.	\$225.15
5	ESTIMATED FCC 40 AMP DC POWER DIRECT COST	LN4*LN3	\$192.426
6	ESTIMATED FCC PRESCRIBED RATE	LN5*FCC ARMIS FACTOR FROM JUNE 9, 1993 ORDER, APPENDIX C	\$311.04
7	SWBT DEVELOPED BASE LINE RATE	FIGURE	\$429.39
8	ESTIMATED FCC RATE ADJUSTMENT FACTOR	LN6/LN7	0.724376
9	PROPOSED RATE WITHOUT GSF ADJUSTMENT	LN7*LN8	\$311.04

DESCRIPTION	ORIGINAL RATE	FCC RAF	REVISED RATE
CONDUIT	\$0.32	46.77%	\$0.15
DC TRANSMISSION POWER - 100 AMP	\$1,087.35	68.38%	\$743.53
DC TRANSMISSION POWER - 40 AMP	\$311.04	94.68%	\$294.49
DS1 INTERCONNECTION CROSS CONNECT	\$7.22	64.24%	\$4.64
DS3 INTERCONNECTION CROSS CONNECT	\$112.84	41.06%	\$46.33

APPENDIX C

NAME	CONDUIT	DEC-94 QTY	UNIT REFUND AMT	REFUND AMT	INTEREST	TOTAL REFUND	JAN-95 QTY	UNIT REFUND AMT	REFUND AMT	INTEREST	TOTAL REFUND
		290	\$0.01	\$2.90	0.21333	\$3.52	290	\$0.01	\$2.90	0.20667	\$3.50
		0	\$0.01	\$0.00	0.21333	\$0.00	0	\$0.01	\$0.00	0.20667	\$0.00
		0	\$0.01	\$0.00	0.21333	\$0.00	50	\$0.01	\$0.50	0.20667	\$0.60
		0	\$0.01	\$0.00	0.21333	\$0.00	90	\$0.01	\$0.90	0.20667	\$1.09
		83	\$0.01	\$0.83	0.21333	\$1.01	83	\$0.01	\$0.83	0.20667	\$1.00
		631	\$0.01	\$6.31	0.21333	\$7.66	631	\$0.01	\$6.31	0.20667	\$7.61
		125	\$0.01	\$1.25	0.21333	\$1.52	125	\$0.01	\$1.25	0.20667	\$1.51
		85	\$0.01	\$0.85	0.21333	\$1.03	85	\$0.01	\$0.85	0.20667	\$1.03
		0	\$0.01	\$0.00	0.21333	\$0.00	322	\$0.01	\$3.22	0.20667	\$3.89
		50	\$0.01	\$0.50	0.21333	\$0.61	0	\$0.01	\$0.00	0.20667	\$0.00
		90	\$0.01	\$0.90	0.21333	\$1.09	5	\$0.01	\$0.05	0.20667	\$0.06
		463	\$0.01	\$4.63	0.21333	\$5.62	463	\$0.01	\$4.63	0.20667	\$5.59
		15	\$0.01	\$0.15	0.21333	\$0.18	15	\$0.01	\$0.15	0.20667	\$0.18
40 AMP TRANS. PWR											
		1	(\$104.43)	(\$104.43)	0.21333	(\$126.71)	1	(\$104.43)	(\$104.43)	0.20667	(\$126.01)
		1	(\$104.43)	(\$104.43)	0.21333	(\$126.71)	1	(\$104.43)	(\$104.43)	0.20667	(\$126.01)
		1	(\$104.43)	(\$104.43)	0.21333	(\$126.71)	1	(\$104.43)	(\$104.43)	0.20667	(\$126.01)
		1	(\$104.43)	(\$104.43)	0.21333	(\$126.71)	1	(\$104.43)	(\$104.43)	0.20667	(\$126.01)
		1	(\$104.43)	(\$104.43)	0.21333	(\$126.71)	1	(\$104.43)	(\$104.43)	0.20667	(\$126.01)
		1	(\$104.43)	(\$104.43)	0.21333	(\$126.71)	1	(\$104.43)	(\$104.43)	0.20667	(\$126.01)
		1	(\$104.43)	(\$104.43)	0.21333	(\$126.71)	1	(\$104.43)	(\$104.43)	0.20667	(\$126.01)
		1	(\$104.43)	(\$104.43)	0.21333	(\$126.71)	1	(\$104.43)	(\$104.43)	0.20667	(\$126.01)
			(\$104.43)	\$0.00	0.21333	\$0.00		(\$104.43)	\$0.00	0.20667	\$0.00
100 AMP TRANS. PWR											
		1	\$13.98	\$13.98	0.21333	\$16.96	1	\$13.98	\$13.98	0.20667	\$16.87
		1	\$13.98	\$13.98	0.21333	\$16.96	1	\$13.98	\$13.98	0.20667	\$16.87
		1	\$13.98	\$13.98	0.21333	\$16.96	1	\$13.98	\$13.98	0.20667	\$16.87
			\$13.98	\$0.00	0.21333	\$0.00		\$13.98	\$0.00	0.20667	\$0.00
			\$13.98	\$0.00	0.21333	\$0.00		\$13.98	\$0.00	0.20667	\$0.00
		1	\$13.98	\$13.98	0.21333	\$16.96	1	\$13.98	\$13.98	0.20667	\$16.87
			\$13.98	\$0.00	0.21333	\$0.00		\$13.98	\$0.00	0.20667	\$0.00
		1	\$13.98	\$13.98	0.21333	\$16.96	1	\$13.98	\$13.98	0.20667	\$16.87
			\$13.98	\$0.00	0.21333	\$0.00		\$13.98	\$0.00	0.20667	\$0.00
DS1 X-CONN											
			\$0.12	\$0.00	0.21333	\$0.00		\$0.12	\$0.00	0.20667	\$0.00
		3	\$0.12	\$0.36	0.21333	\$0.44	3	\$0.12	\$0.36	0.20667	\$0.43
		1	\$0.12	\$0.12	0.21333	\$0.15	1	\$0.12	\$0.12	0.20667	\$0.14
		39	\$0.12	\$4.68	0.21333	\$5.68	44	\$0.12	\$5.28	0.20667	\$6.37
		1	\$0.12	\$0.12	0.21333	\$0.15	1	\$0.12	\$0.12	0.20667	\$0.14
		15	\$0.12	\$1.80	0.21333	\$2.18	18	\$0.12	\$2.16	0.20667	\$2.61
			\$0.12	\$0.00	0.21333	\$0.00	1	\$0.12	\$0.12	0.20667	\$0.14
		6	\$0.12	\$0.72	0.21333	\$0.87	6	\$0.12	\$0.72	0.20667	\$0.87
		46	\$0.12	\$5.52	0.21333	\$6.70	52	\$0.12	\$6.24	0.20667	\$7.53
			\$0.12	\$0.00	0.21333	\$0.00		\$0.12	\$0.00	0.20667	\$0.00
		1	\$0.12	\$0.12	0.21333	\$0.15		\$0.12	\$0.00	0.20667	\$0.00
		14	\$0.12	\$1.68	0.21333	\$2.04	8	\$0.12	\$0.96	0.20667	\$1.16
		1	\$0.12	\$0.12	0.21333	\$0.15	13	\$0.12	\$1.56	0.20667	\$1.88
			\$0.12	\$0.00	0.21333	\$0.00	1	\$0.12	\$0.12	0.20667	\$0.14
		1	\$0.12	\$0.12	0.21333	\$0.15		\$0.12	\$0.00	0.20667	\$0.00
		14	\$0.12	\$1.68	0.21333	\$2.04	23	\$0.12	\$2.76	0.20667	\$3.33
			\$0.12	\$0.00	0.21333	\$0.00		\$0.12	\$0.00	0.20667	\$0.00
DS3 X-CONN											
			\$1.13	\$0.00	0.21333	\$0.00		\$1.13	\$0.00	0.20667	\$0.00
		1	\$1.13	\$1.13	0.21333	\$1.37	1	\$1.13	\$1.13	0.20667	\$1.36
		3	\$1.13	\$3.39	0.21333	\$4.11	3	\$1.13	\$3.39	0.20667	\$4.09
		7	\$1.13	\$7.91	0.21333	\$9.60	7	\$1.13	\$7.91	0.20667	\$9.54
			\$1.13	\$0.00	0.21333	\$0.00		\$1.13	\$0.00	0.20667	\$0.00
			\$1.13	\$0.00	0.21333	\$0.00	1	\$1.13	\$1.13	0.20667	\$1.36
		1	\$1.13	\$1.13	0.21333	\$1.37	1	\$1.13	\$1.13	0.20667	\$1.36
			\$1.13	\$0.00	0.21333	\$0.00	1	\$1.13	\$1.13	0.20667	\$1.36
			\$1.13	\$0.00	0.21333	\$0.00		\$1.13	\$0.00	0.20667	\$0.00

APPENDIX C

NAME	CONDUIT	FEB-95 QTY	UNIT REFUND AMT	REFUND AMT	INTEREST	TOTAL REFUND	MAR-95 QTY	UNIT REFUND AMT	REFUND AMT	INTEREST	TOTAL REFUND
		290	\$0.01	\$2.90	0.20000	\$3.48	290	\$0.01	\$2.90	0.19333	\$3.46
		0	\$0.01	\$0.00	0.20000	\$0.00	470	\$0.01	\$4.70	0.19333	\$5.61
		50	\$0.01	\$0.50	0.20000	\$0.60	50	\$0.01	\$0.50	0.19333	\$0.60
		90	\$0.01	\$0.90	0.20000	\$1.08	90	\$0.01	\$0.90	0.19333	\$1.07
		83	\$0.01	\$0.83	0.20000	\$1.00	1254	\$0.01	\$12.54	0.19333	\$14.96
		631	\$0.01	\$6.31	0.20000	\$7.57	631	\$0.01	\$6.31	0.19333	\$7.53
		125	\$0.01	\$1.25	0.20000	\$1.50	125	\$0.01	\$1.25	0.19333	\$1.49
		85	\$0.01	\$0.85	0.20000	\$1.02	85	\$0.01	\$0.85	0.19333	\$1.01
		322	\$0.01	\$3.22	0.20000	\$3.86	322	\$0.01	\$3.22	0.19333	\$3.84
		0	\$0.01	\$0.00	0.20000	\$0.00	0	\$0.01	\$0.00	0.19333	\$0.00
		5	\$0.01	\$0.05	0.20000	\$0.06	5	\$0.01	\$0.05	0.19333	\$0.06
		463	\$0.01	\$4.63	0.20000	\$5.56	463	\$0.01	\$4.63	0.19333	\$5.53
		15	\$0.01	\$0.15	0.20000	\$0.18	15	\$0.01	\$0.15	0.19333	\$0.18
40 AMP TRANS. PWR											
		1	(\$104.43)	(\$104.43)	0.20000	(\$125.32)	1	(\$104.43)	(\$104.43)	0.19333	(\$124.62)
		1	(\$104.43)	(\$104.43)	0.20000	(\$125.32)	1	(\$104.43)	(\$104.43)	0.19333	(\$124.62)
		1	(\$104.43)	(\$104.43)	0.20000	(\$125.32)	1	(\$104.43)	(\$104.43)	0.19333	(\$124.62)
		1	(\$104.43)	(\$104.43)	0.20000	(\$125.32)	1	(\$104.43)	(\$104.43)	0.19333	(\$124.62)
		1	(\$104.43)	(\$104.43)	0.20000	(\$125.32)	1	(\$104.43)	(\$104.43)	0.19333	(\$124.62)
		1	(\$104.43)	(\$104.43)	0.20000	(\$125.32)	1	(\$104.43)	(\$104.43)	0.19333	(\$124.62)
		1	(\$104.43)	(\$104.43)	0.20000	(\$125.32)	1	(\$104.43)	(\$104.43)	0.19333	(\$124.62)
		1	(\$104.43)	\$0.00	0.20000	\$0.00	1	(\$104.43)	(\$104.43)	0.19333	(\$124.62)
100 AMP TRANS. PWR											
		1	\$13.98	\$13.98	0.20000	\$16.78	1	\$13.98	\$13.98	0.19333	\$16.68
		1	\$13.98	\$13.98	0.20000	\$16.78	1	\$13.98	\$13.98	0.19333	\$16.68
		1	\$13.98	\$13.98	0.20000	\$16.78	1	\$13.98	\$13.98	0.19333	\$16.68
			\$13.98	\$0.00	0.20000	\$0.00	1	\$13.98	\$13.98	0.19333	\$16.68
			\$13.98	\$0.00	0.20000	\$0.00	1	\$13.98	\$13.98	0.19333	\$16.68
		1	\$13.98	\$13.98	0.20000	\$16.78	1	\$13.98	\$13.98	0.19333	\$16.68
			\$13.98	\$0.00	0.20000	\$0.00	1	\$13.98	\$0.00	0.19333	\$0.00
		1	\$13.98	\$13.98	0.20000	\$16.78		\$13.98	\$0.00	0.19333	\$0.00
DS1 X-CONN											
			\$0.12	\$0.00	0.20000	\$0.00	4	\$0.12	\$0.48	0.19333	\$0.57
		3	\$0.12	\$0.36	0.20000	\$0.43		\$0.12	\$0.00	0.19333	\$0.00
		1	\$0.12	\$0.12	0.20000	\$0.14	1	\$0.12	\$0.12	0.19333	\$0.14
		49	\$0.12	\$5.88	0.20000	\$7.06	49	\$0.12	\$5.88	0.19333	\$7.02
		1	\$0.12	\$0.12	0.20000	\$0.14	1	\$0.12	\$0.12	0.19333	\$0.14
		25	\$0.12	\$3.00	0.20000	\$3.60	27	\$0.12	\$3.24	0.19333	\$3.87
		1	\$0.12	\$0.12	0.20000	\$0.14	1	\$0.12	\$0.12	0.19333	\$0.14
		6	\$0.12	\$0.72	0.20000	\$0.86	6	\$0.12	\$0.72	0.19333	\$0.86
		60	\$0.12	\$7.20	0.20000	\$8.64	64	\$0.12	\$7.68	0.19333	\$9.16
		1	\$0.12	\$0.12	0.20000	\$0.14	3	\$0.12	\$0.36	0.19333	\$0.43
		8	\$0.12	\$0.96	0.20000	\$1.15	10	\$0.12	\$1.20	0.19333	\$1.43
			\$0.12	\$0.00	0.20000	\$0.00		\$0.12	\$0.00	0.19333	\$0.00
		14	\$0.12	\$1.68	0.20000	\$2.02	14	\$0.12	\$1.68	0.19333	\$2.00
		1	\$0.12	\$0.12	0.20000	\$0.14	2	\$0.12	\$0.24	0.19333	\$0.29
			\$0.12	\$0.00	0.20000	\$0.00		\$0.12	\$0.00	0.19333	\$0.00
		23	\$0.12	\$2.76	0.20000	\$3.31	23	\$0.12	\$2.76	0.19333	\$3.29
			\$0.12	\$0.00	0.20000	\$0.00		\$0.12	\$0.00	0.19333	\$0.00
DS3 X-CONN											
			\$1.13	\$0.00	0.20000	\$0.00	1	\$1.13	\$1.13	0.19333	\$1.35
		1	\$1.13	\$1.13	0.20000	\$1.36	1	\$1.13	\$1.13	0.19333	\$1.35
		3	\$1.13	\$3.39	0.20000	\$4.07	3	\$1.13	\$3.39	0.19333	\$4.05
		7	\$1.13	\$7.91	0.20000	\$9.49	7	\$1.13	\$7.91	0.19333	\$9.44
		1	\$1.13	\$1.13	0.20000	\$1.36	1	\$1.13	\$1.13	0.19333	\$1.35
		1	\$1.13	\$1.13	0.20000	\$1.36	1	\$1.13	\$1.13	0.19333	\$1.35
		1	\$1.13	\$1.13	0.20000	\$1.36	1	\$1.13	\$1.13	0.19333	\$1.35
		1	\$1.13	\$1.13	0.20000	\$1.36	1	\$1.13	\$1.13	0.19333	\$1.35
			\$1.13	\$0.00	0.20000	\$0.00		\$1.13	\$0.00	0.19333	\$0.00

APPENDIX C

NAME	CONDUIT	APR-95 QTY	UNIT REFUND AMT	REFUND AMT	INTEREST	TOTAL REFUND	MAY-95 QTY	UNIT REFUND AMT	REFUND AMT	INTEREST	TOTAL REFUND
		290	\$0.01	\$2.90	0.18667	\$3.44	290	\$0.01	\$2.90	0.18000	\$3.42
		470	\$0.01	\$4.70	0.18667	\$5.58	0	\$0.01	\$0.00	0.18000	\$0.00
		0	\$0.01	\$0.00	0.18667	\$0.00	0	\$0.01	\$0.00	0.18000	\$0.00
		90	\$0.01	\$0.90	0.18667	\$1.07	90	\$0.01	\$0.90	0.18000	\$1.06
		1,254	\$0.01	\$12.54	0.18667	\$14.88	83	\$0.01	\$0.83	0.18000	\$0.98
		631	\$0.01	\$6.31	0.18667	\$7.49	631	\$0.01	\$6.31	0.18000	\$7.45
		125	\$0.01	\$1.25	0.18667	\$1.48	125	\$0.01	\$1.25	0.18000	\$1.48
		85	\$0.01	\$0.85	0.18667	\$1.01	85	\$0.01	\$0.85	0.18000	\$1.00
		322	\$0.01	\$3.22	0.18667	\$3.82	322	\$0.01	\$3.22	0.18000	\$3.80
		50	\$0.01	\$0.50	0.18667	\$0.59	0	\$0.01	\$0.00	0.18000	\$0.00
		5	\$0.01	\$0.05	0.18667	\$0.06	5	\$0.01	\$0.05	0.18000	\$0.06
		463	\$0.01	\$4.63	0.18667	\$5.49	463	\$0.01	\$4.63	0.18000	\$5.46
		15	\$0.01	\$0.15	0.18667	\$0.18	15	\$0.01	\$0.15	0.18000	\$0.18
40 AMP TRANS. PWR											
		1	(\$104.43)	(\$104.43)	0.18667	(\$123.92)	1	(\$104.43)	(\$104.43)	0.18000	(\$123.23)
		1	(\$104.43)	(\$104.43)	0.18667	(\$123.92)	1	(\$104.43)	(\$104.43)	0.18000	(\$123.23)
		1	(\$104.43)	(\$104.43)	0.18667	(\$123.92)	1	(\$104.43)	(\$104.43)	0.18000	(\$123.23)
		1	(\$104.43)	(\$104.43)	0.18667	(\$123.92)	1	(\$104.43)	(\$104.43)	0.18000	(\$123.23)
		1	(\$104.43)	(\$104.43)	0.18667	(\$123.92)	1	(\$104.43)	(\$104.43)	0.18000	(\$123.23)
		1	(\$104.43)	(\$104.43)	0.18667	(\$123.92)	1	(\$104.43)	(\$104.43)	0.18000	(\$123.23)
		1	(\$104.43)	(\$104.43)	0.18667	(\$123.92)	1	(\$104.43)	(\$104.43)	0.18000	(\$123.23)
		1	(\$104.43)	(\$104.43)	0.18667	(\$123.92)	1	(\$104.43)	(\$104.43)	0.18000	(\$123.23)
		1	(\$104.43)	(\$104.43)	0.18667	(\$123.92)	1	(\$104.43)	\$0.00	0.18000	\$0.00
100 AMP TRANS. PWR											
		1	\$13.98	\$13.98	0.18667	\$16.59		\$13.98	\$0.00	0.18000	\$0.00
		1	\$13.98	\$13.98	0.18667	\$16.59	1	\$13.98	\$13.98	0.18000	\$16.50
		1	\$13.98	\$13.98	0.18667	\$16.59	1	\$13.98	\$13.98	0.18000	\$16.50
		1	\$13.98	\$13.98	0.18667	\$16.59		\$13.98	\$0.00	0.18000	\$0.00
		1	\$13.98	\$13.98	0.18667	\$16.59		\$13.98	\$0.00	0.18000	\$0.00
		1	\$13.98	\$13.98	0.18667	\$16.59	1	\$13.98	\$13.98	0.18000	\$16.50
		1	\$13.98	\$13.98	0.18667	\$16.59		\$13.98	\$0.00	0.18000	\$0.00
		1	\$13.98	\$0.00	0.18667	\$0.00	1	\$13.98	\$13.98	0.18000	\$16.50
DS1 X-CONN											
		5	\$0.12	\$0.60	0.18667	\$0.71	5	\$0.12	\$0.60	0.18000	\$0.71
			\$0.12	\$0.00	0.18667	\$0.00		\$0.12	\$0.00	0.18000	\$0.00
		1	\$0.12	\$0.12	0.18667	\$0.14	1	\$0.12	\$0.12	0.18000	\$0.14
		51	\$0.12	\$6.12	0.18667	\$7.26	50	\$0.12	\$6.00	0.18000	\$7.08
		1	\$0.12	\$0.12	0.18667	\$0.14	1	\$0.12	\$0.12	0.18000	\$0.14
		32	\$0.12	\$3.84	0.18667	\$4.56	37	\$0.12	\$4.44	0.18000	\$5.24
		1	\$0.12	\$0.12	0.18667	\$0.14	1	\$0.12	\$0.12	0.18000	\$0.14
		5	\$0.12	\$0.60	0.18667	\$0.71	4	\$0.12	\$0.48	0.18000	\$0.57
		63	\$0.12	\$7.56	0.18667	\$8.97	64	\$0.12	\$7.68	0.18000	\$9.06
		4	\$0.12	\$0.48	0.18667	\$0.57	7	\$0.12	\$0.84	0.18000	\$0.99
		16	\$0.12	\$1.92	0.18667	\$2.28	18	\$0.12	\$2.16	0.18000	\$2.55
			\$0.12	\$0.00	0.18667	\$0.00		\$0.12	\$0.00	0.18000	\$0.00
		14	\$0.12	\$1.68	0.18667	\$1.99	14	\$0.12	\$1.68	0.18000	\$1.98
		2	\$0.12	\$0.24	0.18667	\$0.28	2	\$0.12	\$0.24	0.18000	\$0.28
			\$0.12	\$0.00	0.18667	\$0.00		\$0.12	\$0.00	0.18000	\$0.00
		23	\$0.12	\$2.76	0.18667	\$3.28	23	\$0.12	\$2.76	0.18000	\$3.26
			\$0.12	\$0.00	0.18667	\$0.00	1	\$0.12	\$0.12	0.18000	\$0.14
DS3 X-CONN											
		1	\$1.13	\$1.13	0.18667	\$1.34		\$1.13	\$0.00	0.18000	\$0.00
		1	\$1.13	\$1.13	0.18667	\$1.34	1	\$1.13	\$1.13	0.18000	\$1.33
		3	\$1.13	\$3.39	0.18667	\$4.02	3	\$1.13	\$3.39	0.18000	\$4.00
		7	\$1.13	\$7.91	0.18667	\$9.39	7	\$1.13	\$7.91	0.18000	\$9.33
		1	\$1.13	\$1.13	0.18667	\$1.34	1	\$1.13	\$1.13	0.18000	\$1.33
		1	\$1.13	\$1.13	0.18667	\$1.34	1	\$1.13	\$1.13	0.18000	\$1.33
		1	\$1.13	\$1.13	0.18667	\$1.34	1	\$1.13	\$1.13	0.18000	\$1.33
		1	\$1.13	\$1.13	0.18667	\$1.34	1	\$1.13	\$1.13	0.18000	\$1.33
			\$1.13	\$0.00	0.18667	\$0.00		\$1.13	\$0.00	0.18000	\$0.00